

**UNITED STATES DISTRICT COURT
FOR NORTHERN DISTRICT OF TEXAS**

SOUTHWEST MARINE & GENERAL
INSURANCE COMPANY, as assignee and
subrogee of My Community Credit Union,

Plaintiff,
v.

TAMMION VALENTINE and VALENTINE
TRAVEL EXPRESS LLC,

Defendants.

No.:

COMPLAINT

Plaintiff, Southwest Marine and General Insurance Company (“Southwest Marine”) by and through its counsel, McElroy, Deutsch, Mulvaney & Carpenter, LLP, submits the following Complaint against Defendants, Tammion Valentine (“Ms. Valentine”) and Valentine Travel Express LLC (“Valentine Travel”), and in support thereof alleges the following:

INTRODUCTION

1. This civil action is brought to recover compensatory damages from and to impose punitive damages against Defendants, Ms. Valentine, and her business, Valentine Travel, which participated in and benefited from a fraudulent credit card transaction scheme to misappropriate funds from My Community Credit Union (“My Community”).

PARTIES

2. Southwest Marine is an insurance company formed and existing in accordance with the laws of the State of Arizona, with its principal executive office located at 412 Mount Kemble Avenue, Suite 300C, Morristown, NJ 07960.

3. Ms. Valentine is an adult individual with an address located at 12701 Purdue Drive, Balch Springs, TX 75180.

4. Ms. Valentine is the owner and operator of Valentine Travel, a Texas limited liability company with its principal place of business located at 2121 N. Pearl Street, Suite 300, Dallas, Texas, 75201. It is believed that Ms. Valentine is the sole member of Valentine Travel.

JURISDICTION AND VENUE

5. This Court has subject matter jurisdiction over the claims in this Complaint pursuant to 28 U.S.C. § 1332 because Southwest Marine and Defendants (including the member(s) of Valentine Travel) are citizens of different states and the amount in controversy when accounting for both compensatory damages and punitive damages exceeds \$75,000.00.

6. Venue is proper under 28 U.S.C. § 1391(b)(1) and 28 U.S.C. § 1391(b)(2) because Defendants conduct business in this district and a substantial part of the events giving rise to the claims occurred in this district.

FACTUAL ALLEGATIONS

7. My Community is a financial institution existing by the laws of Texas with its headquarters located at 600 W. Louisiana, Midland, TX 79701.

8. My Community issued Ms. Valentine a credit card account ending in 6869 (“Credit Card”), with a \$3,400.00 assigned credit limit.

9. Between February 7, 2022 and September 26, 2022, Ms. Valentine ran a fraudulent kiting scheme whereby she repeatedly charged the Credit Card to Valentine Travel and other companies and then purported to make payments to reduce the amount of the Credit Card balance through Venmo and other sources.

10. The amount of the payments initially would be sufficient to reduce or to eliminate the Credit Card balance, which would permit new charges to be made to the Credit Card.

11. But, the payments thereafter would be returned due to insufficient funds.

12. Ms. Valentine then would initiate new fraudulent payments to reduce the balance once to again permit new charges to be made to the Credit Card.

13. Ms. Valentine did this on thirty-four separate occasions until her scheme was discovered.

14. On January 3, 2023, during a review of delinquent accounts, My Community discovered Ms. Valentine's scheme.

15. By this point, almost \$60,000 was due, outstanding, and unpaid to My Community.

16. My Community attempted to contact Ms. Valentine to demand repayment, but Ms. Valentine refused to communicate with My Community.

17. Accordingly, My Community suffered a loss in the principal amount of \$59,228.69.

18. Southwest Marine issued a policy of insurance (No. CR20200001145) ("the Policy") to My Community in which Southwest Union agreed to insure, among other things, losses sustained through commercial crime or fraud.

19. As a result of the circumstances involving Defendants, My Community made a claim to Southwest Marine (Claim No. EWR00258986).

20. After investigating the claim, Southwest Marine indemnified My Community for the loss sustained.

21. As a result of indemnifying My Community, Southwest Marine has become subrogated to My Community.

22. In addition, My Community assigned its claims against Defendants to Southwest Marine.

23. Southwest Marine thereafter demanded that Defendants return the misappropriated funds.

24. Despite demands, Defendants have not returned any funds.

COUNT I
FRAUD

25. Southwest Marine repeats and realleges the above allegations as if set forth herein.

26. Defendants represented to My Community that the credit card charges and the subsequent repayments were legitimate transactions.

27. Such representations were false because Defendants were operating a kiting scheme to misappropriate funds and had no intention of repaying My Community.

28. Defendants' misrepresentations as to the legitimacy of the charges and the subsequent "repayments" were made with the intent to mislead My Community into paying for the charges so that Defendants could continue to charge the Credit Card and misappropriate additional funds from My Community.

29. My Community reasonably relied upon Ms. Valentine's false representations to its detriment.

30. Ms. Valentine's conduct was wanton and willful and committed with actual malice such as to allow for imposition of punitive damages.

31. As a result of Defendants' fraud, My Community, and thus Southwest Marine, suffered a loss in the principal amount of \$59,228.69 and also is entitled to an award of punitive damages in addition to compensatory damages.

COUNT II
CONVERSION

32. Southwest Marine repeats and realleges the above allegations as if set forth herein.

33. My Community was the rightful possessor and owner of funds.

34. Defendants had no right to take or to possess My Community's funds.

35. Without My Community's consent and without lawful justification, Defendants deprived My Community of its rightful possession and ownership of its funds.

36. Despite demands, Defendants have failed and refused to return the funds to My Community or to Southwest Marine.

37. Ms. Valentine's actions were wanton, willful and committed with actual malice.

38. As a result of Defendants' conversion, My Community, and thus Southwest Marine, suffered a loss in the principal amount of \$59,228.69 and is entitled to an award of punitive damages in addition to compensatory damages.

COUNT III
UNJUST ENRICHMENT

39. Southwest Marine repeats and realleges the above allegations as if set forth herein.

40. Through the fraudulent transactions, Defendants obtained a benefit from My Community in an amount no less than \$59,228.69.

41. Defendants' retention of such benefits without disgorgement of same violates the fundamental principles of justice, equity, and good conscience.

42. Despite demand, Defendants have not returned the funds to My Community or Southwest Marine.

43. As a result of Defendants' unjust enrichment, My Community, and thus Southwest Marine, suffered a loss in the principal amount of \$59,228.69.

WHEREFORE, Plaintiff, Southwest Marine and General Insurance Company, demands judgment against Defendants, Tammion Valentine and Valentine Travel Express LLC, jointly and severally, as follows:

- a) On the first cause of action, awarding damages in the amount of \$59,228.69, plus punitive damages, interest, costs of suit and attorneys' fees in such an amount that exceeds \$75,000.00;
- b) On the second cause of action, awarding damages in the amount of \$59,228.69, plus punitive damages, interest, costs of suit and attorneys' fees in such an amount that exceeds \$75,000.00; and
- c) On the third cause of action, awarding damages in the amount of \$59,228.69, plus punitive damages, interest, costs of suit and attorneys' fees in such an amount that exceeds \$75,000.00.

McELROY, DEUTSCH, MULVANEY & CARPENTER, LLP

Date: January 3, 2024

/s/ Matthew A. Lipman

Matthew A. Lipman, Esquire
1617 JFK Blvd., Suite 1500
Philadelphia, PA, 19103
Tel: (215) 557-2900
mlipman@mdmc-law.com
*Attorneys for Plaintiff,
Southwest Marine and General Insurance Company*